

## Department of Finance Publishes Budget Trailer Bill Language Addressing Redevelopment Dissolution

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### *Burke Public Law Alert*

The California Department of Finance (“Department”) has published proposed budget trailer bill language addressing the redevelopment agency dissolution process. In a recent webinar, the Department characterized the forthcoming legislation as an attempt to simplify the dissolution process and clarify existing law. However, although some of the proposed provisions would streamline successor agency operations and facilitate their wind-down, there are a number of terms that would negatively affect successor agencies, their sponsoring jurisdictions, and the availability of financing for affordable housing and oversight board-approved economic development and public improvement projects. The proposed legislation undermines many of the incentives that AB 1484 provided for compliance with the Due Diligence Review process. Furthermore, if enacted, the proposed legislation would effectively abrogate several recent court rulings that are favorable to cities and successor agencies.

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